

# News

## ARIZONA Department of Revenue

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FOR IMMEDIATE RELEASE

### TAX PREPARERS INDICTED BY STATE

Arizona Department of Revenue Director Elliott Hibbs and Arizona Attorney General Terry Goddard announced today the indictment of East Valley residents James Frederick Shahbazian and Nancy Lynn Weinstein on multiple felony counts of tax fraud. The Arizona State Grand Jury returned indictments connected with their preparation of Arizona individual income tax returns for clients.

Shahbazian, 45, operated a tax preparation service under the name JSB & Associates at 2050 W Guadalupe Suite 14 in Mesa, and Weinstein, 47, was his employee. They are accused of preparing fraudulent 2001 and 2002 Arizona individual income tax returns filed with the Arizona Department of Revenue.

The indictment was the result of an investigation conducted by the Arizona State Attorney General's Office and the Arizona Department of Revenue.

"This was a joint effort between our agencies to investigate these two individuals," said Goddard. "We are working hard to crack down on people who cheat the Arizona tax system. This is a great partnership, which I know will have continued success."

The indictment charges Shahbazian with:

- one count of fraudulent schemes and artifices, a class 2 felony;
- one count of fraudulent schemes and practices, willful concealment, a class 5 felony;
- 29 counts of fraudulent preparation of tax return, a class 5 felony.

The charges against Weinstein include:

- one count fraudulent schemes and artifices;
- one count of fraudulent schemes and practices, willful concealment
- two counts of fraudulent preparation of tax return.

If convicted, Shahbazian and Weinstein could face imprisonment of four to 10 years for each class 2 felony and nine months to two years for each class 5 felony.

The two agencies will continue to partner on these types of cases.

"With the cooperation of the Attorney General's Office, the department is actively becoming more aggressive in our efforts to identify and prosecute individuals, businesses, and tax practitioners who defraud the state by filing deliberately inaccurate tax returns," said Hibbs.

"It is particularly egregious that tax professionals would deliberately mislead trusting clients to file fraudulent returns through business practices of understating income and claiming inflated or nonexistent deductions. This practice violates the premise that each taxpayer should pay the legal amount of tax owed to share the burden equitably," concluded Hibbs.

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